

Florida Department of Environmental Protection



Water Resource Funding in Florida

October 16, 2014





Presentation Overview

- **Nonpoint Source and Stormwater Pollution Reduction Grants**
 - Nonpoint source pollution definition
 - EPA 319(h) Nonpoint Source
 - Total Maximum Daily Load (TMDL) Water Quality Restoration
 - Applying for 319(h) or TMDL Grant
- **Waste, and Drinking Water Funding**
 - Clean Water State Revolving Fund (SRF) loan program
 - Small Community Wastewater Facilities Grants Program
 - Drinking Water State Revolving Fund loan program
- **Other Funding Sources**
 - Legislative Appropriation



Nonpoint Source Pollution

- **Nonpoint source pollution is the biggest cause of water pollution in Florida.**
- Nonpoint sources include stormwater runoff from urban areas and agricultural operations, faulty septic tanks, and erosion.
- Reducing it is critical to restoring Florida's waters and meeting TMDLs.



EPA 319(h) Grant

Clean Water Act federally funded grant, awarded annually.

- FY 2014 National funding level of ~\$164.5 million for all 50 States and eligible Indian Tribes
- Florida receives ~4% of total 319(h) funds annually, typically between \$5-6 million
- Focus is on nonpoint source pollution abatement
 - Once stormwater hits a major conveyance system it is considered a point source and may not be eligible for the 319(h) Nonpoint Source Grant.



319(h) FY 2016 Schedule

- **February to March 2015** – Project proposals sent to stakeholders
- **May 22, 2015** - Project application proposals are **due** to the Department for review and ranking. Project proposals received after May 23rd may be excluded from the selection process
- **September 30, 2015** – Selected projects will be sent to EPA for approval, status letters mailed to all applicants, and match funds can be expended starting October 1, 2015 for selected projects
- **August – September 2016** – EPA approves projects and grant recipients are notified. Contract execution process begins.
- **September 30, 2019** – All contractual projects, monitoring, invoicing etc. should be completed by this date



319(h) Eligible Project Types

- Urban Stormwater Retrofits
 - BMP construction for stormwater treatment prior to entry into a NPDES conveyance system
 - E.g., bioswales, wet detention ponds, low impact design, wetland restoration
- Septic Tank Pollution Abatement
 - There are limitations on the types of projects that are eligible.
- Silvicultural Best Management Practices (BMPs)
- Agricultural BMP Development, Monitoring &/or Evaluation
- Erosion / Sediment Control
- Low Impact Development
- NPS Education and BMP Training



319(h) Evaluation Criteria

Eligible Applicants: state agencies, local governments, colleges, universities, non-profit organizations, public utilities, and state water management districts

Emphasis is placed upon:

- Project/BMP effectiveness monitoring
- Implementing EPA-approved watershed plans or BMAPs
- Addressing pollutant(s) of concern in verified impaired water bodies
- Cost-effectiveness per pound of pollutants removed
- Cooperative Projects
- Innovative BMPs and/or use of a treatment train approach
- Project-related public education



319(h) Funding Requirements

- **319(h) Grant Funds**
 - **Eligible for funds:** construction, project-related monitoring, and project-related public education
 - **Not eligible for funds:** design, engineering, land acquisition, or to fund an activity required by a federal permit
 - Cannot fund any urban stormwater activities that directly implement a municipal separate storm sewer system (MS4) NPDES permit.
- **Match Expenditure Funds**
 - Projects should include a minimum 40% non-federal match
 - 319(h) funding may not exceed 60% of the total eligible project cost
 - **Eligible match:** in-kind services (e.g., staff time, contract administration), design, engineering, monitoring, public education.
 - **Not eligible for match:** alternative federal funding, land acquisition



TMDL Water Quality Restoration Grant

Annual State legislature funding to FDEP for implementing BMPs that reduce pollutant loads to verified impaired waters from urban stormwater discharges

- Set out by rule in Chapter 62-305, F.A.C and authorized by Section 403.890(2), F.S.
- FDEP typically receives ~\$3 million annually for distribution

Schedule:

- Application Deadlines are March 1st, July 1st and November 1st each year
 - **Applications can be submitted at any time and for more than one project**, evaluated in the next review period
 - Projects not selected for funding will remain in the pool of projects that will be ranked for one year from the date of submittal
 - Match funds can be expended after notice of award



TMDL Grant Eligible Project Types

Eligible Project Types:

- Urban Stormwater Retrofits
- Urban Research and Demonstration BMPs

Project Requirements:

- Must be at least at the 60% design phase
- Permitted or the permit has been scheduled for approval at the next meeting of the governing board or Department
- Storm event monitoring required to determine the actual load reduction
- Construction must be completed within three years of Legislative funding appropriation to ensure fund remains available



TMDL Grant Evaluation Criteria

Eligible Applicants: state agencies, local governments, colleges, universities, non-profit organizations, public utilities, and state water management districts.

Emphasis is placed upon:

- Project/BMP Effectiveness monitoring
- Implementing EPA-approved watershed plans, BMAPs, or TMDLs
- Addressing pollutant(s) of concern in verified impaired water bodies
- Cost-Effectiveness based on the cost per pound of Total Nitrogen and/or Total Phosphorus removed per acre treated.
- Innovative BMPs and/or use of a treatment train approach
- Project-related public education
- Dedicated stormwater management funding source
 - E.g., Local government sponsor has a stormwater utility fee



TMDL Grant Funding Requirements

- **TMDL Grant Funds**
 - **Eligible for funds:** construction, project-related monitoring, and project-related public education.
 - **Not Eligible for funds:** design, engineering, salary, land acquisition.
- **Match Expenditure funds**
 - Match amount must be equal to or greater than grant amount
 - At least 25% of the match amount must be provided by local government.
 - Water Management Districts are not considered local government for match funding purposes.
 - **Eligible Match:** in-kind services (e.g., staff time, contract administration), design, engineering, monitoring, public education, land acquired recently for stormwater/water quality restoration.



Applying for 319(h) or TMDL Grant

- **Contact FDEP to be put on the grant notification list**
- **Know the deadlines**
- **Submit a correct application form**
 - Go to the NPS/TMDL websites or email FDEP for the correct application.
 - Follow instructions provided
 - Read evaluation criteria provided



Contacts for 319(h) or TMDL Grant Info.

Kate Brackett: 850-245-8682, Kathryn.Brackett@dep.state.fl.us

Connie Becker: 850-245-8505, Connie.Becker@dep.state.fl.us

FDEP 319 Grant Website:

<http://www.dep.state.fl.us/water/nonpoint/319h.htm>

EPA Region 4 Website:

<http://www.epa.gov/region4/water/nps>

FDEP TMDL Grant Website:

http://www.dep.state.fl.us/water/watersheds/tmdl_grant.htm



Clean Water State Revolving Fund

Florida's largest financial assistance program for water infrastructure, capitalized by federal grants through EPA

- Provides **low-interest loans to local governments** for stormwater and wastewater facilities
 - ~\$200 million annually, with a \$25 million segment cap
- Revolves using state and federal appropriations, loan repayments, investment earnings, and bond proceeds.
- Interest rates on loans are below market rates and vary based on the economic wherewithal of the community (based on an affordability index, the market rate, and a population factor).
 - Maximum rate is the market rate.
 - For non-point source projects – 60% of the market rate
 - Basic financing rate adjusted quarterly
 - Rate fixed after agreement is signed



Clean Water State Revolving Fund Loan Eligibility

Program Goals:

- Protect public health, water quality, and promote alternative water supply projects.
- Assist local communities in correcting non-compliance.
- Facilitate small community projects that might not otherwise be built.
- Assure perpetuity of the funds.

Eligible Project Types (Plan/Design/Build/Upgrade):

- Wastewater, Reuse, Stormwater, Non-point Source Pollution Control, and Estuary Facilities
- Certain agricultural best management practices may qualify for funding.

Eligible Applicants:

- Local governments = loans to control wastewater, stormwater and non-point source pollution
- Non-governmental parties = loans to control stormwater pollution related to agricultural operations



Clean Water State Revolving Fund Loan Terms

Term Length = Useful life of the project.

- 10 years for non-governmental sponsors.
- 20 years for a local government.
- 30 years for financial hardship communities (Affordability Index less than 100).
- Repayment begins six months after project work is scheduled for completion.
- Payback consists of equal semiannual repayments.
- A dedicated revenue source to repay the loan is required.
- Excess revenue, debt service reserve and other loan security features may vary depending on the source and predictability of the pledged revenue.

More information: www.dep.state.fl.us/water/wff/cwsrf or
Contact Tim Banks at 850.245.8360 or timothy.banks@dep.state.fl.us.



Small Community Wastewater Facilities Grants Program

Funded with Legislative Appropriations and ½ of the interest from loan repayments

- Designed to work hand-in-hand with the SRF program and to subsidize the sponsor's loan repayments.
 - Provides grants to fund the construction of wastewater facilities:
 - Must be in Incorporated municipalities with 10,000 or fewer people, and
 - *Per capita* income levels below Florida's average *per capita* income.
 - A local match is required.
 - Linked to the Clean Water SRF program, and is highly competitive.
 - Generally, projects get a CWSRF loan and the grant provides a subsidy to the loan. If the sponsor chooses not to go through the loan process, the local share must come from the municipalities own funds.

More information: www.dep.state.fl.us/water/wff/cwsrf or
Contact Tim Banks at 850.245.8360 or timothy.banks@dep.state.fl.us.



Drinking Water State Revolving Fund Loan Program

Provides low-interest loans to local governments and certain private utilities to plan, design, and build or upgrade drinking water systems.

- ~\$70 million annually, with a \$20 million segment cap
- Discounted assistance for small communities may be available
- Interest rates on loans are typically 40% below market rates

More information: www.dep.state.fl.us/water/wff/cwsrf or
Contact Paul Brandl at 850.245.8373 or paul.brandl@dep.state.fl.us.



Other Funding Sources

- Florida Legislature may solicit applications directly for **“Community Budget Issue Request”** projects, including water projects, in anticipation of upcoming legislative sessions
 - This process is an opportunity to secure legislative sponsorship of project funding through the state budget
 - In other years, the Legislature will not solicit projects but may include them in the budget in any event.
 - You are advised to contact your local legislative delegation to determine whether there are opportunities available to fund your project
 - Information on contacting Senators and Representatives is available at www.leg.state.fl.us
- Other state and federal level programs that offer the possibility of water infrastructure funding:
 - Listed in the Water Resource Funding in Florida brochure, located at this website: <http://www.dep.state.fl.us/water/waterprojectfunding/index.htm>



Comments and Questions

